

# News from the FPPC



California Fair Political Practices Commission  
428 J Street, Suite 620, Sacramento, CA 95814  
[www.fppc.ca.gov](http://www.fppc.ca.gov)

For Immediate Release: May 21, 2007

Contact: Roman Porter at (916) 322-7761

## FPPC agrees to settlement in Citizens case

Following unfavorable court decisions, the state Fair Political Practices Commission has agreed to settle a lawsuit that challenged the commission's authority to limit contributions to state candidate-controlled ballot-measure committees.

"The sad reality is these decisions allow candidates and officeholders to avoid the contribution limits enacted by the people in Proposition 34, by simply creating a ballot measure committee and soliciting contributions in unlimited amounts," said FPPC Chairman Ross Johnson. "The courts left us with no choice, but we sure don't like it. Now it's up to the legislature to pass a law or the citizens of California, through an initiative, to correct this inequity."

In the case *Citizens to Save California v. FPPC*, Sacramento Superior Court Judge Shelleyanne Chang ruled that the commission lacked statutory authority to impose contribution limits on ballot measure committees controlled by candidates. That decision was later upheld by the Third District Court of Appeal. The courts' decisions allow these types of contributions to be raised in unlimited amounts.

"The intellectual inconsistency of the courts astounds me," said Johnson, "What represents the greater potential for the appearance of corruption, \$3,600 to a candidate's reelection committee or \$100,000 to a ballot measure committee controlled by that same candidate? The answer is obvious: The appearance of undue influence comes from the receipt of the contribution, not in how the money is spent!"

In the stipulation, the FPPC and plaintiffs agreed to accept the court's decision that the commission does not have proper statutory authority to determine and enforce contribution limits for state candidate-controlled ballot-measure committees. It was also agreed that the commission will no longer administer or enforce the regulation in question, and plaintiffs will not recover fees incurred during the lawsuit.

The lawsuit was first filed in February 2005, and challenged a regulation adopted by the commission in June 2004, which limited state candidate-controlled ballot-measure committee contributions to the same amount applied to the candidates themselves—currently up to \$24,100 for the Governor. The FPPC appealed the Superior Court's ruling in April 2005, and the Court of Appeal upheld that ruling in December 2006.

###